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MERCAL increases their food prices

Report Categories:

Agricultural Situation

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Report Highlights:

The Venezuelan Ministry of Food has announced price increases for some of the basic food basket products sold at subsidized prices through the Government food network Mercal.

General Information:

MERCAL increases their food prices

In the absence of sufficient public resources, the State food network Mercal decided to adjust the prices of their subsidized food products. Price adjustments will begin with two products, sugar and black beans.

The Minister of Food, Felix Osorio, said that from 2003 until May 16, 2009 the network Mercal has distributed a total of 6,693,000 metric tons of food country-wide, to ensure that staple items are sold at affordable prices and food security is maintained for Venezuelans. He added

that to date the network has 16,514 points of sale.

The current prices for sugar and black beans at Mercal are Bs. 0.74 and Bs. 1.65 per kilo respectively. Sugar will be sold at Mercal now at Bs. 1.16 per kilo and black beans at Bs. 1.69 per kilo, which is still 40 percent below the regulated price, as noted by the Minister. Regulated prices for sugar and black beans are Bs. 1.94 and Bs. 2.82 respectively.

The Minister noted that the remaining 12 items of Mercal's regulated food product line will get progressive price adjustments according to the consumer price index. However its retail cost will always be 40 percent lower than the regulated market, he added.

Product	Presentation	Current Mercal Price Bs. F	Regulated Price Bs. F	New Price Bs. F	Increase according to Mecal price
SUGAR	1 Kg.	0.74	1.94	1.16	57.29 %
Black Beans	1 Kg.	1.65	2.82	1.69	2.50 %

Prices Source:

Mercal - web page

ANSA (Venezuelan Supermarket Association)